

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF REVENUE**

**LOK SABHA  
STARRED QUESTION NO. \*311**

**TO BE ANSWERED ON FRIDAY, THE 16<sup>TH</sup> MARCH, 2018  
PHALGUNA 25, 1939 (SAKA)**

**Corporate Crimes**

**311. SHRI OM BIRLA:**

Will the Minister of FINANCE be pleased to state:

(a) the details of the total number of corporate crimes that have been analysed by the Government's Financial Intelligence Unit during the last three years and the current year;

(b) whether the Government plans to introduce any policy/legal framework for tackling the problems of increasing economic offences where the offenders flee the country after committing the crime;

(c) if so, the details including the salient features and if not, the reasons therefor; and

(d) whether the Government also plans to establish a special court to deal with the matters of economic offences which involve investigation by the said Unit and if so, the details thereof and if not, the reasons therefor?

**ANSWER**

**FINANCE MINISTER  
(SHRI ARUN JAITLEY)**

(a) to (d): A statement is laid on the Table of the House.

ORIGINAL

Statement referred to in parts (a) to (d) of the Lok Sabha Starred Question No. \*311 for answer on 16-03-2018 regarding "Corporate Crimes" by Shri OM BIRLA

(a) The Financial Intelligence Unit-India (FIU-IND) is mandated to collect, analyse and disseminate financial intelligence, inter-alia, on terrorist financing and money laundering. FIU-India obtains certain threshold based reports and Suspicious Transactions Reports (STRs) from various reporting entities as prescribed under Prevention of Money Laundering Rules. After analysis of these STRs and linking the additional information available in FIU India database, FIU India disseminates these to the concerned law enforcement agencies (LEAs) for further investigations.

STRs analysed/disseminated probably may lead to detection of financial/economic offences/irregularities. But to ascertain whether these STRs are related to corporate crimes is matter of investigation.

FIU India is an administrative FIU and investigation is not its mandate, therefore, investigating into domestic or international financial transactions is not the domain of FIU India. STRs disseminated are investigated upon by various LEAs.

(b) and (c): A budget announcement was made by the Government in the Budget 2017-18 that there have been instances of big time offenders, including economic offenders, fleeing the country to escape the reach of law and that the Government would introduce legislative changes or even a new law to confiscate the assets of such persons till they submit to the jurisdiction of the appropriate legal forum. Accordingly, the Fugitive Economic Offenders Bill, 2018 ("the Bill") has been introduced in Lok Sabha on 12<sup>th</sup> March, 2018. The Bill would help in laying down measures to deter fugitive economic offenders from evading the process of Indian law by remaining outside the jurisdiction of courts in India and to preserve the sanctity of the rule of law in India. The Bill, inter alia, provides for expeditious confiscation of proceeds of crime and properties of the fugitive economic offender with a view to make him submit to the jurisdiction of courts in India.

(d) A new Court has not been created under the Bill. The Special Court, which decides on the declaration of an individual as a fugitive economic offender and orders confiscation of properties under the Bill, would be a Court of Session designated as a Special Court under the provisions of the Prevention of Money-laundering Act, 2002. Further, time bound provisions have been stipulated under the Bill to ensure that proceedings under the Bill are expeditiously completed.